



General Assembly

**Substitute Bill No. 5397**

January Session, 2007

\* \_\_\_\_\_HB05397FIN\_\_\_\_041807\_\_\_\_\_\*

**AN ACT DEFINING "UNIMPROVED LAND" FOR PURPOSES OF THE  
REAL ESTATE CONVEYANCE TAX AND CONCERNING PROPERTY  
TAX ABATEMENTS FOR CERTAIN DAMAGED DWELLINGS AND FOR  
SENIOR CITIZENS.**

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1       Section 1. Section 12-494 of the general statutes is repealed and the  
2       following is substituted in lieu thereof (*Effective July 1, 2007, and*  
3       *applicable to conveyances occurring on and after July 1, 2007*):

4       (a) There is imposed a tax on each deed, instrument or writing,  
5       whereby any lands, tenements or other realty is granted, assigned,  
6       transferred or otherwise conveyed to, or vested in, the purchaser, or  
7       any other person by his direction, when the consideration for the  
8       interest or property conveyed equals or exceeds two thousand dollars,  
9       (1) subject to the provisions of subsection (b) of this section, at the rate  
10      of five-tenths of one per cent of the consideration for the interest in real  
11      property conveyed by such deed, instrument or writing, the revenue  
12      from which shall be remitted by the town clerk of the municipality in  
13      which such tax is paid, not later than ten days following receipt  
14      thereof, to the Commissioner of Revenue Services for deposit to the  
15      credit of the state General Fund, and (2) at the rate of one-fourth of one  
16      per cent of the consideration for the interest in real property conveyed  
17      by such deed, instrument or writing, and on and after July 1, 2007, at  
18      the rate of eleven one-hundredths of one per cent of the consideration

19 for the interest in real property conveyed by such deed, instrument or  
20 writing, provided the amount imposed under this subdivision shall  
21 become part of the general revenue of the municipality in accordance  
22 with section 12-499.

23 (b) The rate of tax imposed under subdivision (1) of subsection (a) of  
24 this section shall, in lieu of the rate under said subdivision (1), be  
25 imposed on certain conveyances as follows: (1) In the case of any  
26 conveyance of real property which at the time of such conveyance is  
27 used for any purpose other than residential use, except unimproved  
28 land, the tax under said subdivision (1) shall be imposed at the rate of  
29 one per cent of the consideration for the interest in real property  
30 conveyed; (2) in the case of any conveyance in which the real property  
31 conveyed is a residential estate, including a primary dwelling and any  
32 auxiliary housing or structures, regardless of the number of deeds,  
33 instruments or writings used to convey such residential real estate, for  
34 which the consideration or aggregate consideration, as the case may  
35 be, in such conveyance is eight hundred thousand dollars or more, the  
36 tax under said subdivision (1) shall be imposed (A) at the rate of one-  
37 half of one per cent on that portion of such consideration up to and  
38 including the amount of eight hundred thousand dollars, and (B) at the  
39 rate of one per cent on that portion of such consideration in excess of  
40 eight hundred thousand dollars; and (3) in the case of any conveyance  
41 in which real property on which mortgage payments have been  
42 delinquent for not less than six months is conveyed to a financial  
43 institution or its subsidiary which holds such a delinquent mortgage  
44 on such property, the tax under said subdivision (1) shall be imposed  
45 at the rate of one-half of one per cent of the consideration for the  
46 interest in real property conveyed.

47 (c) In addition to the tax imposed under subsection (a) of this  
48 section, any targeted investment community, as defined in section 32-  
49 222, or any municipality in which properties designated as  
50 manufacturing plants under section 32-75c are located, may, on or after  
51 March 15, 2003, impose an additional tax on each deed, instrument or

52 writing, whereby any lands, tenements or other realty is granted,  
53 assigned, transferred or otherwise conveyed to, or vested in, the  
54 purchaser, or any other person by his direction, when the  
55 consideration for the interest or property conveyed equals or exceeds  
56 two thousand dollars, which additional tax shall be at a rate of up to  
57 one-fourth of one per cent of the consideration for the interest in real  
58 property conveyed by such deed, instrument or writing. The revenue  
59 from such additional tax shall become part of the general revenue of  
60 the municipality in accordance with section 12-499.

61 (d) For purposes of this section, "unimproved land" means land that  
62 has never been improved or land that was once improved but has not  
63 contained an intact structure for ten years prior to conveyance of such  
64 land.

65 Sec. 2. (*Effective July 1, 2007, and applicable to assessment years*  
66 *commencing on or after October 1, 2007*) Any municipality may, upon  
67 approval by its legislative body, abate the property taxes due for any  
68 tax year or the interest on delinquent taxes with respect to any  
69 dwelling unit located in the municipality that was repaired because of  
70 damage due to the siting of such dwelling unit in the immediate  
71 vicinity of the West River.

72 Sec. 3. (NEW) (*Effective July 1, 2007, and applicable to assessment years*  
73 *commencing on or after October 1, 2007*) (a) The legislative body of any  
74 municipality may establish, by ordinance, a program to provide  
75 property tax relief to persons sixty-five years of age and older who  
76 volunteer their services to the municipality.

77 (b) Any property tax relief under this section for any taxpayer shall  
78 not exceed seven hundred fifty dollars in any assessment year. The  
79 amount of such relief shall be determined based on the number of  
80 hours volunteered multiplied by the state minimum fair wage, as  
81 defined in subsection (j) of section 31-58 of the general statutes.

82 (c) The amount of the property tax relief shall be applied to the taxes

83 due to the municipality and shall not be paid to the taxpayer.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>July 1, 2007, and applicable to conveyances occurring on and after July 1, 2007</i>	12-494
Sec. 2	<i>July 1, 2007, and applicable to assessment years commencing on or after October 1, 2007</i>	New section
Sec. 3	<i>July 1, 2007, and applicable to assessment years commencing on or after October 1, 2007</i>	New section

**FIN** Joint Favorable Subst.